

## **Concord Hospitality Enterprises Company Historic McPherson Hospital**

### **Durham-Based Business Plan**

Pursuant to that certain Contract between the City of Durham, a North Carolina municipal corporation (the “City”) and Concord Hospitality Enterprises Company, a corporation organized and existing under the laws of North Carolina regarding funds for capital investments to the 1108 W. Main Street property, effective as of \_\_\_\_\_ 2013 (the “Contract”), Concord Hospitality Enterprises Company has agreed to make certain capital investments in the City (the “Project”).

#### **Purpose/Goals**

The purpose of this Durham-Based Business Plan (the “Plan”) is to encourage the use of Durham-based firms in an OEWD database in connection with the Project. Through this process, Durham-based firms that may not have otherwise received consideration due to lack of exposure to the larger business community may have the opportunity to become involved in this Project in their community.

#### **Administration**

This Plan shall be administered by Concord Hospitality Enterprises Company and the City and shall take effect when signed by the parties below and shall be fully effective until Completion Date (as defined in the Contract), including any extension or modification to such date. The Plan will implement the following guidelines and activities:

**A. *Durham-Based Firm Identification Resources.*** Concord Hospitality Enterprises Company agrees to undertake the following:

- 1. Prior to the execution of the Contract, meet with the Director of the Office of Economic and Workforce Development or appropriate staff to establish project goals.**

Concord Hospitality Enterprises Company and the City through the Director of the Office of Economic and Workforce Development or such other authorized employee of the City will meet and mutually set specific goal(s) under the Plan for the Project (the “Goals”). The Goals for this Project shall be those Goals set forth in Section C of this Plan.

- 2. Use the City’s database.**

Concord Hospitality Enterprises Company will review the list of Durham-based firms that are supplied by the City for those qualified and available to work on the Project.

- 3. Use of local organizations.**

In the event a review of the City's database does not identify any Durham-based eligible to work on the Project, Concord Hospitality Enterprises Company agrees to request from one or more of the offices listed below, as Concord Hospitality Enterprises Company determines, the identity of any qualified Durham-based firms for work on the Project:

- Durham Business & Professional Chain
- NC Institute of Minority Economic Development, Inc. contractors and vendor listing
- RDU International Airport Authority Minority Database
- Small Business Administration (SBA) Minority Database
- North Carolina Department of Transportation (NCDOT) Database

**B. Outreach.** Concord Hospitality Enterprises Company will solicit interest by Durham-based firms in the Project utilizing the following:

**1. Provision of written notice to qualified Durham-based firms with the list supplied in the City database that could perform the work to be subcontracted.**

Concord Hospitality Enterprises Company will send invitations to bid to qualified Durham-based firms, as determined by Concord Hospitality Enterprises Company, in the City SDBE database expressing the desire to receive a proposal from such Durham-based firms for scope of work in their respective areas of expertise. Concord Hospitality Enterprises Company will provide to the City a complete listing of all qualified firms that received invitations to bid on the Project. Concord Hospitality Enterprises Company will maintain documentation on any written requests made to SDBE firms in regards to solicitation of work on the Project.

**2. Timelines of notice to permit sufficient time for response of Durham-based firms.**

In the event Concord Hospitality Enterprises Company is able to provide the City with notice of upcoming projects, Concord Hospitality Enterprises Company agrees to permit the City to notify Durham-based firms of those upcoming projects. These notifications may include a brief description of the project, potential subcontracting opportunities and anticipated solicitation dates. Some of the specific efforts the City may employ for notifying small business firms include, but are not limited to, direct notification through phone calls or written notification through fax or email, and advertisements in local and statewide minority newspapers.

**3. Pre-bid Meetings with Durham-based firms.**

As commercially reasonable, Concord Hospitality Enterprises Company will host pre-bid meetings in which qualified Durham-based firms will be invited to attend. When commercially reasonable and practicable, Concord Hospitality Enterprises Company will provide two to three weeks after the prebid meetings and corresponding invitations to bid for the Durham-based firms to provide their proposals.

### ***C. Procurement & Recruitment***

With the understanding that firms must meet qualification requirements and that Concord Hospitality Enterprises Company, its contractors and sub-contractors will have the intent and make good faith efforts toward ensuring equal contracting opportunities for Durham-based firms and the following contracting goal will be established for the Project:

- An aggregate of \$22.2 million of capital expenditures will be completed or performed by enterprises

The aforementioned goal will be established for work including, but not limited to the following construction and hospitality trades:

- Asphalt work
- Site utilities
- Flooring painting
- Case work
- Saw cutting
- Landscaping
- Concrete
- Doors & framing
- Hardware
- Miscellaneous metals and steel erection
- Hotel maintenance

Concord Hospitality Enterprises Company will employ the following efforts in order to recruit businesses:

- 1. Distribute lists of qualified Durham-based firms, as determined by Concord Hospitality Enterprises Company, to prime bidders at the pre-bid meeting.**

Concord Hospitality Enterprises Company will document any correspondence and information related to qualified Durham-based firms that has been provided to prime bidders. Concord Hospitality Enterprises Company will maintain a visitor sign in log at the local office of the Construction Manager for all prime bidders and Durham-based firms who attend meetings related to the Project.

### ***D. Technical Assistance***

Concord Hospitality Enterprises Company will provide technical assistance to Durham-based firms to aid them in the preparation of prequalification statements and proposals by:

- 1. Provide construction schedules with the bid packages to allow Durham-based firms to better understand their general conditions.**

- 2. Offer referral assistance to Durham-based firms by providing them with a list, when available of vendors, service providers and/or prime contractors.**
- 3. Provide assistance with prequalification forms.**

Concord Hospitality Enterprises Company will provide commercially reasonable assistance to Durham-based firms with prequalification forms.

#### ***E. Other Purchases***

Concord Hospitality Enterprises Company will involve Durham-based firms in the Project through:

- 1. Allowing qualified Durham-based firms to bid on the professional services, vendor and supplier and non-professional services aspects of the Project to the extent that such qualified Durham-based firms are able, in addition to the construction aspects of the Project.**

#### ***F. Monitoring and Reporting***

Concord Hospitality Enterprises Company will document the Plan's actual accomplishments by:

1. Analyzing and auditing majority trade contractors' bidding records to assure a minimum good faith effort. To the extent requested in writing by the City, Concord Hospitality Enterprises Company will provide a letter certifying as to compliance of these actions within 10 business days of receipt of such written request.
2. Providing quarterly reporting. Reports shall be submitted by the 15<sup>th</sup> day of the month following the close of each quarter (January, April, July and October) and shall include a list of any Durham-based firms participating in the Project during the prior quarter, the category of each Durham-based firm, a description of the work completed by such Durham-based firm during the prior quarter and the amount paid to each Durham-based firm in the prior quarter.
3. Preparing and presenting a final report on the recruitment of Durham-based firms to work on the project.

Following the completion of the Project, Concord Hospitality Enterprises Company will compile all quarterly reports previously provided to the City into one comprehensive Project Report and will deliver this to the City within 120 days following the completion of the Project.

*[Signature Page Follows]*

CITY OF DURHAM

By: \_\_\_\_\_  
City Manager

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Director, City of Durham Office of Economic and Workforce Development

Date: \_\_\_\_\_

CONCORD HOSPITALITY ENTERPRISES COMPANY

By: \_\_\_\_\_

Date: \_\_\_\_\_